

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

AUG 1 0 2016

OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

IN THE MATTER OF: ADVANCED FLOW ENGINEERING, INC.

Advanced Flow Engineering, Inc. 252 Granite St. Corona, CA 92879

ATTENTION: David Howev

Request for Information under Section 208(a) of the Clean Air Act, 42 U.S.C. § 7542(a)

The United States Environmental Protection Agency (EPA) hereby requires Advanced Flow Engineering, Inc. (AFE), to submit certain information as part of an EPA investigation to determine AFE's compliance with Section 203 of the Clean Air Act (CAA), 42 U.S.C. § 7522, and the applicable regulations at 40 C.F.R. Parts 85, 86, 1051, and 1068. Examples of vehicles regulated under these Parts include, but are not limited to, highway motorcycles, off-highway motorcycles, and all-terrain vehicles. Exhibit B specifies the information that you must submit. Exhibit C provides instructions for your response to this request, and Exhibit D provides definitions for some of the terms used in this request.

We are issuing this Request for Information (Request) under Section 208(a) of the CAA, 42 U.S.C. § 7542(a). Under Section 208(a) of the CAA, EPA may require any person who is subject to Sections 202 through 219 of the CAA, 42 U.S.C. §§ 7521 – 7554, to provide information necessary to determine whether the person has acted in compliance with the requirements of these provisions of the CAA and the regulations promulgated thereunder.

You must submit responses to this Request for Information within 30 calendar days from the date you receive this letter.

Failure to provide the required information may result in the initiation of a civil action pursuant to Section 205(b) of the CAA, 42 U.S.C. § 7524(b). Failure to provide all requested information in its entirety, and in the format requested, may result in additional inquiries and penalties. It is important that your responses be clear, accurate, and complete. We will regard

submitted information that is misleading, false, incomplete, or submitted without regard to its accuracy as a violation of the CAA and/or criminal statutes. We may use any information submitted in response to this Request for Information in an administrative, civil or criminal action.

Finally, AFE must submit all requested information under an authorized signature with the following certification (provided in Appendix F):

I certify under penalty of law that I have examined and am familiar with the information in the enclosed documents, including all attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section 113(c)(2) of the Clean Air Act, 42 U.S.C. § 7413(c)(2), and 18 U.S.C. §§ 1001 and 1341.

You are entitled to assert a business confidentiality claim covering all or part of the information you submit in response to this Request for Information, in accordance with the procedures described in the Confidentiality of Business Information (CBI) regulations, 40 C.F.R. Part 2, Subpart B. However, no such CBI claim may be made with respect to emissions data as defined at 40 C.F.R. § 2.301(a)(2). You must specify the page, paragraph and sentence when identifying the information subject to your claim. Exhibit A specifies the assertion and substantiation requirements for business confidentiality claims. EPA may, without further notice, provide the public with any information not subject to a CBI claim.

Please submit all requested information, via courier service or overnight delivery, to:

Kathleen H. Johnson, Director Enforcement Division Attn: Roshni Brahmbhatt U.S. Environmental Protection Agency, Region IX 75 Hawthorne St. (ENF-2-1) San Francisco, CA 94105

Any questions concerning this Request for Information should be directed to Roshni Brahmbhatt at 415-972-3995 or <u>Brahmbhatt.Roshni@epa.gov</u> or your attorney may contact Brian Riedel of EPA's Region 9 Office of Regional Counsel at 415-972-3924.

Phillip A. Brooks, Director
Air Enforcement Division

EXHIBIT A

CONFIDENTIAL BUSINESS INFORMATION

You may assert a business confidentiality claim covering all or part of the information you provide in response to this Request for Information for any business information entitled to confidential treatment under Section 208(c) of the CAA, 42 U.S.C. § 7542, and 40 C.F.R. Part 2, subpart B. Under Section 208(c) of the CAA, you are entitled to confidential treatment of information that would divulge methods or processes entitled to protection as trade secrets. Under 40 C.F.R. Part 2, subpart B, business confidentiality means "the concept of trade secrecy and other related legal concepts which give (or may give) a business the right to preserve the confidentiality of business information and to limit its use or disclosure by others in order that the business may obtain or retain business advantages it derives from its rights in the information." See 40 C.F.R. § 2.201(e).

Information covered by a claim of business confidentiality will be disclosed by EPA only to the extent, and by means of the procedures, set forth in Section 208(c) of the CAA and 40 C.F.R. Part 2, subpart B. EPA will construe your failure to furnish a business confidentiality claim with your response to this Request for Information as a waiver of that claim, and the information may be made available to the public without further notice to you.

To assert a business confidentiality claim, you must place on (or attach to) all information you desire to assert as business confidential either a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as "trade secret," "proprietary," or "company confidential" at the time you submit your response to this Request for Information. Allegedly confidential portions of otherwise non-confidential documents should be clearly identified, and may be submitted separately to facilitate identification and handling by EPA. You should indicate if you desire confidential treatment only until a certain date or until the occurrence of a certain event.

The criteria EPA will use in determining whether material you claim as business confidential is entitled to confidential treatment are set forth at 40 C.F.R. §§ 2.208 and 2.301. These regulations provide, among other things, that you must satisfactorily show that: (1) the information is within the scope of business confidentiality as defined at 40 C.F.R. § 2.201(e), (2) that you have taken reasonable measures to protect the confidentiality of the information and that you intend to continue to do so, (3) the information is not and has not been reasonably obtainable by legitimate means without your consent, and (4) the disclosure of the information is likely to cause substantial harm to your business' competitive position. See 40 C.F.R. § 2.208 (a)-(e). Emission data, as defined at 40 C.F.R. § 2.301(a)(2), is expressly not entitled to confidential treatment under 40 C.F.R. Part 2, subpart B. See 42 U.S.C. § 7542(c); 40 C.F.R. § 2.301(e).

If you assert a claim of business confidentiality in connection with information and documents forwarded in response to this Request for Information, in accordance with 40 C.F.R. § 2.204(e)(4), EPA is requesting that you answer the following questions with respect to any information or document for which you assert a claim of business confidentiality:

- What specific portions of the information are alleged to be entitled to confidential treatment? Specify by page, paragraph and sentence when identifying the information subject to your claim.
- 2. For what period of time do you request that the information be maintained as confidential, e.g., until a certain date, until the occurrence of a specified event or permanently? If the occurrence of a specific event will eliminate the need for confidentiality, specify that event. Additionally, explain why the information should be protected for the time period you've specified.
- What measures have you taken to protect the information claimed as confidential from undesired disclosure? Have you disclosed the information to anyone other than a governmental body or someone who is bound by an agreement not to disclose the information further? If so, why should the information still be considered confidential?
- 4. Is the information contained in any publicly available material such as the Internet, publicly available databases, promotional publications, annual reports or articles? Is there any means by which a member of the public could obtain access to the information? Is the information of a kind that you would customarily not release to the public?
- 5. Has any governmental body made a determination as to the confidentiality of the information? If so, please attach a copy of the determination.
- 6. For each category of information claimed as confidential, explain with specificity whether disclosure of the information is likely to result in substantial harm to your competitive position. Explain the specific nature of those harmful effects, why they should be viewed as substantial, and the causal relationship between disclosure and such harmful effect. How could your competitors make use of this information to your detriment?
- 7. Is there any other explanation you deem relevant to EPA's determination of your business confidentiality claim that is not covered in the preceding questions? If so, you may provide such additional explanation.

You must furnish comments to the above questions concurrent with your response to this Request for Information if you have claimed any information as business confidential. See 40 C.F.R. § 2.204(e)(2). Pursuant to 40 C.F.R. § 2.205(b)(2), you may request an extension of this deadline. EPA will construe your failure to furnish timely comments as a waiver of your confidentiality claim, consistent with 40 C.F.R. § 2.204(e)(1). Please submit your comments to:

Roshni Brahmbhatt U.S. Environmental Protection Agency, Region IX 75 Hawthorne St. (ENF-2-1) San Francisco, CA 94105 Pursuant to 40 C.F.R. § 2.205(c), you are hereby advised that information you submit as part of your comments may be regarded by EPA as entitled to confidential treatment if, when it is received by EPA, it is marked in accordance with 40 C.F.R. § 2.203(b). As required by 40 C.F.R. § 2.204(e)(6), you may assert a business confidentiality claim covering all or part of your response to these questions, as provided in 40 C.F.R. § 2.203(b). Information covered by such a claim will be disclosed by EPA only to the extent, and by means of the procedures, set forth in Section 208(c) of the CAA and 40 C.F.R. Part 2. EPA will construe the failure to furnish a confidentiality claim with your comments as a waiver of that claim, and the information may be made available to the public without further notice to you.

EXHIBIT B

REQUEST FOR INFORMATION FOR ADVANCED FLOW ENGINEERING, INC.

Advanced Flow Engineering, Inc., and any of its affiliates ("AFE" or "you") must submit the following information to the United States Environmental Protection Agency pursuant to Section 208 of the CAA, 42 U.S.C. § 7542.

- Identify each exhaust system or exhaust system component (collectively "component")
 offered for sale by AFE during the period from January 1, 2014, through the date of this
 letter for the following types of vehicles:
 - Model year 2002 and later motor vehicles that are EPA-certified or otherwise were originally designed and built by the manufacturer for use on public roads.

The list of such components should include, but may not be limited to, those identified on AFE's website at http://afepower.com and all related pages.

Be advised that this Request for Information pertains to all components described herein regardless of any claims made by AFE that a particular component is designed for use in closed course competition and is not intended for any other use, or other similar claims.

- For each component identified in response to Question 1:
 - a. State the part number and identifying name, and specify the vehicle applications by make, model, and year. The list of components provided by AFE must be organized by the categories: vehicle manufacturer, model, and year, as shown in Exhibit E.
 - b. Describe the function of the component and identify any and all means the component uses to reduce vehicle exhaust emissions including, but not limited to, catalysts and ports that allow for the use of oxygen sensors. Also identify and explain whether and how use of this component permanently or temporarily: changes, affects, bypasses, turns on, turns off, renders inoperative, facilitates the removal of, modifies, or simulates the operation of a vehicle's proper functioning of any part of the emissions control system installed on the vehicle by the original vehicle manufacturer. In instances where multiple components have been or are currently offered for sale for a motor vehicle of a single model year, describe how the component designs, properties, and operational parameters or characteristics differ. Also describe how the component designs, properties, and operational parameters or characteristics differ from one year to the next.
 - c. Provide copies of all documentation for each component, including, but not limited to, technical specifications, installation and operating instructions, and warranty information.

- d. Identify by name all websites, magazines, trade publications, and any other media in which AFE advertised the component at any time since January 1, 2014.
- e. Indicate whether the component is described by AFE in any documentation, marketing materials, advertisements, websites, or other media with the following statement or similar language:

"Legal in California only for racing vehicles which may never be used upon a highway."

Provide references to all materials containing such statements.

f. Indicate whether the component is described by AFE in any documentation, marketing materials, advertisements, websites, or other media with the following waiver/disclaimer or similar language:

"IMPORTANT WAIVER/DISCLAIMER

THIS IS A 'RACE ONLY' PRODUCT USED SOLELY FOR COMPETITION. NOT LEGAL FOR STREET OR OFF-ROAD USE.

Read Before Breaking Seal!

Go to http://afepower.com/DPF/release.pdf and download Acknowledgement of Competitive Use and Release of Assumption of Risk and Liability. Please sign and return it to aFe, Fax (951) 493-7177

Breaking this seal indicates that you have read, signed and returned the Acknowledgement to aFe and agree to the terms contained in the Acknowledgement."

Provide references to all materials containing such statements.

- g. Indicate whether the component is described by AFE in any documentation, marketing materials, advertisements, websites, or other media with any type of emission control system "delete" or bypass, including but not limited to advertisements on AFE's website, third party websites, in published magazines or brochures, or in any way used to offer for sale or disseminate information about the sale of any emission control system "delete" or bypass.
- h. State the quantity that was manufactured by or for AFE during each year from January 1, 2014, through the date of this letter and identify the location(s) where the components were manufactured.
- State the quantity that was sold by AFE to consumers with shipping addresses in the United States during each year from January 1, 2014, through the date of this letter.
- j. Provide copies of receipts for the total quantity of each component sold by AFE to

- consumers with shipping addresses in the United States during each year from January 1, 2014, through the date of this letter.
- k. State the quantity that was sold by AFE to wholesalers, distributors, or authorized dealers during each year from January 1, 2014, through the date of this letter.
- Provide copies of invoices or receipts for each component sold by AFE to all
 wholesalers, distributors, or authorized dealers during each year from January 1, 2014,
 through the date of this letter.
- m. Identify the name, address, contact person, and phone number of each wholesaler, distributor, and authorized dealer for which AFE provides an invoice or receipt in response to Question 2.j. For each entity identified, also identify the brand name under which each component is or has been marketed.
- 3. For each component identified in response to Question 1, state whether any tests have been conducted that measure the impact of the component on motor vehicle air pollutant emissions, or that measure the impact of the component on a vehicle's emission control devices or elements of design. For each such test, provide a description of the test (including identification of the component and vehicle, and the test protocol), specify the date and location of the test, specify who conducted the test, and provide a copy of the test results.
- Provide the name and address of each location where any of the components identified in response to Question 1 have been or currently are being stored or offered for sale by AFE.
- 5. For each component identified in response to Question 1, state whether you submitted an application for an Executive Order to the California Air Resources Board and provide a copy of the application for each component. State whether each component received an Executive Order exempting the component from California's emission control system anti-tampering law, California Vehicle Code § 27156. If the component received an Executive Order, provide the Executive Order number and state whether the California Air Resources Board required you to change the component or application in order to receive approval.
- 6. Please confirm that the combination of the "Master CARB file" and the folder "CARB Test Data" which were submitted to EPA on 12/11/15 includes all emission test data which AFE currently possesses. We are requesting any emission data including but not exclusively data which was produced as part of the CARB EO application process, i.e., the request includes emission test data conducted by AFE or third-party contractors of AFE products.
- 7. Identify each component offered for sale by AFE during the period from January 1, 2014, through the date of this letter for the following types of vehicles:
 - Model year 2014 and later vehicles that were originally designed and built by the vehicle manufacturer for off-highway use.

The list of such components should include, but may not be limited to, those identified on AFE's website at http://afepower.com and all related pages.

This request pertains to all components described herein regardless of any claims made by AFE that a particular component is designed for use in closed course competition and is not intended for any other use, or other similar claims.

- 8. For each component identified in response to Question 7, provide all of the information requested in Questions 2 through 5.
- 9. Identify each programmer, module, tuner, ECM calibration tool, or engine management products (collectively "EM products") offered for sale by AFE during the period from January 1, 2014, through the date of this letter. The list of EM products should include, but may not be limited to, the following, which are listed on AFE's website at http://afepower.com/shop/application_searchnew.php?&brandID=122 and http://afepower.com/shop/application_searchnew.php?&brandID=90:
 - Scorcher Module
 - Scorcher Tuner
 - Sprint Booster
- 10. For each EM product identified in response to Question 9:
 - a. State the product number and identifying name, and specify the vehicle applications by make, model, and year. The list of EM products provided by AFE must be organized by the categories: vehicle manufacturer, model, and year, as shown in Exhibit E.
 - b. Describe in detail what the EM product does and how it functions or operates. Also identify and explain whether and how use of the EM product permanently or temporarily: changes, affects, bypasses, turns on, turns off, renders inoperative, facilitates the removal of, modifies, or simulates the operation of a vehicle's proper functioning of any part of the emissions control system installed on the vehicle by the original vehicle manufacturer.
 - c. Provide copies of all product documentation, including, but not limited to, technical specifications, installation and operating instructions, and warranty information.
 - d. Identify by name all websites, magazines, trade publications, and any other media in which AFE advertised the product at any time since January 1, 2014.
 - e. Indicate whether the EM product is described by AFE in any documentation, marketing materials, advertisements, websites, or other media with the following statement or similar language:

"Legal in California only for racing vehicles which may never be used upon a highway."

Provide references to all materials containing such statements.

- g. State the quantity that was manufactured during each year from January 1, 2014, through the date of this letter and identify the location(s) where the products were manufactured. If the EM product was not physically manufactured and programmed by AFE, also provide the following information:
 - Identify the name and address of the manufacturer;
 - If different than the manufacturer, identify the name and address of the supplier from whom you purchased the product; and
 - Describe in detail the business relationship between AFE and i) the manufacturer, and ii) the supplier.
- h. State the quantity that was sold by AFE to consumers with shipping addresses in the United States during each year from January 1, 2014, through the date of this letter.
- Provide copies of receipts for the total quantity of the EM product sold by AFE to consumers with shipping addresses in the United States during each year from January 1, 2014, through the date of this letter.
- j. State the quantity that was sold by AFE to wholesalers, distributors, or authorized dealers during each year from January 1, 2014, through the date of this letter.
- k. Provide copies of invoices or receipts for each product sold by AFE to all wholesalers, distributors, or authorized dealers during each year from January 1, 2014, through the date of this letter.
- Identify the name, address, contact person, and phone number of each wholesaler, distributor, and authorized dealer for which AFE provides an invoice or receipt in response to Question 10.k. Also state whether the entity markets or marketed the product under the AFE brand name.
- m. Provide the name and address of each location where the product has been or currently is being stored or offered for sale by AFE.
- 11. For each EM product identified in response to Question 9, state whether any tests have been conducted that measure the impact of the product on motor vehicle air pollutant emissions, or that measure the impact of the product on a vehicle's emission control devices or elements of design. For each such test, provide a description of the test (including identification of the product and vehicle, and the test protocol), specify the date and location of the test, specify who conducted the test, and provide a copy of the test results.
- For each EM product identified in response to Question 9, state whether you submitted an
 application for an Executive Order to the California Air Resources Board and provide a

copy of the application for each product. State whether each product received an Executive Order exempting the product from California's emission control system anti-tampering law, California Vehicle Code § 27156. If the product received an Executive Order, provide the Executive Order number and state whether the California Air Resources Board required you to change the product or application in order to receive approval.

- 13. For each EM product identified in response to Question 9:
 - a. Provide digital copies of all tune files available for these two tuners (stock or custom) in a format which is readable without proprietary software. If there is no format which exists without use of such software please provide the software needed.
 - b. Provide a narrative explanation for the intended application for all tune files provided in response to question 13a.
 - c. Submit the instruction manuals (and resubmit instructions for EM products which AFE has previously submitted) and identify which instruction manual belongs to which product. If multiple products have the same instruction manual, then please specify. Provide a narrative description explaining how these documents may or may not instruct the user of the tuning product to avoid deleting or bypassing emission control systems.
 - d. Include any references to emissions or emission control devices in this narrative as they relate to these tuning products from other sources besides the owner's manuals.
 - e. Provide complete information about the Superchips tuner which AFE offers for sale, including but not limited to, any restrictions to possible functions of the custom tune which may be loaded onto the device.
 - f. To your knowledge, do any of the custom tunes which could possibly be used with your Superchips tuning product enable delete tunes (disable/delete the emission control devices)? Please offer a narrative description of the legitimate use for custom tunes which you identify in response to the previous question.
 - g. Does your company intend to include these products in future CARB Executive Order application submittals? Please provide copies of any relevant CARB Executive Orders and application submittals to CARB.
- Provide a list of all persons (as defined in <u>Exhibit D</u>) that are affiliated with AFE. Describe
 the business relationships with these persons.
- 15. Provide a copy of your articles of incorporation and by-laws.
- 16. Identify your current net worth and annual revenue for the past calendar or fiscal year.

17.	Identify each person responsible for responding to this Request for Information, including their title, and the request(s) to which they responded.

EXHIBIT C

INSTRUCTIONS

- This Request for Information is a continuing request. You must promptly supplement your response in the event you learn that you possess responsive documents or information not yet produced, or gain possession, custody or control of responsive documents or information after initially responding to this Request.
- Provide responses to this Request for Information in English, in written document form, and in electronic form using spreadsheet or word processing software (e.g., Word or Excel) or in PDF format, provided you have access to such software.
- Where documents or information necessary for a response are not in your possession, custody, or control, indicate in your response why such information is not available or in your possession, custody or control, and identify any source that either possesses or is likely to possess such information.
- 4. All submitted documents should be copies and not original documents. Provide two complete sets of the requested documents and information (one set in hard copy form and the other set in electronic form).
- Indicate on each document produced the number of the question to which it corresponds.
- 6. Where AFE has previously submitted to EPA information requested herein, re-submit the information in the format requested. Identify the material that was previously provided, the date on which it was provided, and the person at EPA to whom it was provided.
- You must maintain an unaltered and complete copy of your website as it exists at the time this letter is received. This includes all pages, graphical elements, and text displayed on the website. You must provide this information in readable electronic format to EPA within ten days upon request.

EXHIBIT D

DEFINITIONS

- 1. All terms used in this Request for Information will have their ordinary meaning unless such terms are defined in the CAA, 42 U.S.C. §§ 7401 *et seq.*, or the regulations found at 40 C.F.R. Parts 85 and 86.
- 2. The terms "document" and "documents" means any object that records, stores, or presents information, and includes writings, memoranda, records, or information of any kind, formal or informal, whether wholly or partially handwritten or typed, whether in computer format, memory, or storage device, or in hardcopy, including any form or format of these. The term includes electronic mail and text messages. If in computer format or memory, each such document must be provided in translation to a form useable and readable by EPA, with all necessary documentation and support. All documents in hard copy also should include attachments to or enclosures with any document.
- 3. The term "person" includes an individual, corporation, partnership, limited liability company, sole proprietorship, joint venture, or any formal or informal entity, organization or association.
- 4. The terms "you", "your", or "AFE" include Advanced Flow Engineering, Inc., and any affiliates, predecessors, successors, and assigns.
- 5. "Affiliate" or "affiliated" used to indicate a relationship to a specified person, and means any person that, directly or indirectly or through one or more intermediaries, owns or controls, is owned or controlled by or is under common ownership or control with such person (other than entities serving solely as customs brokers).

EXHIBIT E

SAMPLE FORMAT FOR RESPONSE

Manufacturer	Model	Year	Component Name	Component Number
Mfg. 1	Model A	2009	V.A.L.E.™ Slip-on Exhaust System - M-2 Aluminum Canister	005-2630406V
			Black Series V.A.L.E.™ Slip-on	005-2630406V-B
			Exhaust System - M-2 Aluminum	
			Canister	
			V.A.L.E.™ Slip-on Exhaust System -	005-2630407V
			M-2 Carbon Fiber Canister	
			Standard Mount SS Catalytic	005-920406HM
			Eliminator - M-2 Aluminum	E 22.533333
			Canister	
Mfg. 2	Model B	2010	V.A.L.E.™ Slip-on Exhaust System -	005-1830406V
			M-2 Aluminum canister	
			Black Series V.A.L.E.™ Slip-on	005-1830406V-B
			Exhaust System - M-2 Aluminum	
			canister	
		2008	V.A.L.E.™ Slip-on Exhaust System -	005-1830406V
			M-2 Aluminum canister	
			Black Series V.A.L.E.™ Slip-on	005-1830406V-B
			Exhaust System - M-2 Aluminum	
			canister	
		2009	V.A.L.E.™ Slip-on Exhaust System -	005-1830406V
			M-2 Aluminum canister	
			Black Series V.A.L.E.™ Slip-on	005-1830406V-B
			Exhaust System - M-2 Aluminum	
			canister	
		2010	Black Series V.A.L.E.™ 4-2-1	005-2420107V-B
			Complete Exhaust Systems - M-2	
			Carbon Fiber canister	
		2011	Black Series V.A.L.E.™ 4-2-1	005-2420107V-B
			Complete Exhaust Systems - M-2	
			Carbon Fiber canister	
	Model C	2008	DUAL V.A.L.E.™ Slip-On Exhaust	005-1930406DM
			System - M-2 Aluminum canister	
		2009	DUAL V.A.L.E.™ Slip-On Exhaust	005-1930406DM
			System - M-2 Aluminum canister	

Appendix F Statement of Certification

Signature:

Title:

CERTIFICATE OF MAILING

I,to the Clean Air Act by Certified Mail, Re	_, certify that I sent a Request for Information pursuant eturn Receipt requested, to:
Advanced Flow Engineering, Inc. 252 Granite St. Corona, CA 92879	
on the day of 2016.	
	U.S. EPA
Certified Mail Receipt Number	